

THE ECONOMY OF INDO-CHINA

is the whole population. It has been estimated that for a normal year, like 1931, the country's possibility of self-enrichment could be at only 30,000,000 piastres.

Capital investment by the Metropolitan French in Indo-China has been much more closely studied since 1924. It has been

that eight billion francs were subscribed to companies in Indo-China; half of that sum comes from the French in the colony. Of this, only half has been used for the development of the country; the other being dissipated in commissions to middlemen, graft, and the perhaps inseparable from all operations in a new country. The selection of enterprises for French investment in the colony gives by far the largest place, in value, to real estate, then rubber, rice., mines, electrical energy, in the order of their importance. As a corollary it is interesting to compare this with all-native investments* which give place to agricultural crops, then real estate, animal husbandry, industry and commerce—amounting to 20,000,000,000 francs, or five

as much as the French investments.

Loans is another form of investment in Indo-China for Metropolitan savings. There have been five main loans which have left Indo-China with a relatively light public debt. Interest, too, on pre-War

has benefited by the post-War devaluation. Statistics are not available which would indicate how much any but two of the colony*s have lent. Indian bankers have loaned money to the extent of 50*000,000 piastres, and Annamite usurers have loaned their

compatriots
mately the same. The vast difference between them is
the
realized by the Annamites remain in the country,

of
the *chettys* are in large measure "exported. CMoese
mostly reinvested in the country* though. the recent in
the
exchange have given their transactions the of
Some capital is still 'exported to China, probably

5,000,000
piastres annually. Profits by French are
repatriated to pay their stockholders. To of
must be added state payments—albeit recently

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towards the military expenses of the Metropole. In a

pre-
depression year, 40,000,000 piastres were sent out
of the
Because of its political relations with France,
its
with foreign creditors, Indo-China was penniless a
of
-capital. The colony, therefore, is forced to for
by
a favourable balance of trade*